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EFFECT OF *CORPORATE GOVERNANCE PERCEPTION INDEX* ANNOUNCEMENT TO MARKET VALUATION**Bertha Silvia Sutejo***Universitas Surabaya, Indonesia*bertha7381@gmail.com**Fidelis Arastyo Andono***Universitas Surabaya, Indonesia*nino.a.andono@gmail.com**Abstract**

This paper empirically examines the effect of corporate governance perception index (CGPI) announcement on market valuation. The analysis included of abnormal return of CGPI announcement for the big five firms and those which were not the big five firms. The research used all publicly listed firms on the Indonesian Stock Exchange during the period 2005 as sample. The result of this research shows that CGPI announcement has information content and statistically significant affects market valuation.

Keywords: CGPI announcement, abnormal return, trading volume, market valuation